

THE CITY OF CANEY, KANSAS

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STATE OF KANSAS 2013 CITY BUDGET FORMS

with

ACCOUNTANTS' COMPILATION REPORT

and

NOTES TO PRESCRIBED FORMS

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Years ending December 31, 2013, 2012 (Forecasted) and 2011 (Historical)

## **C O N T E N T S**

### **Accountants' Compilation Report**

	<b>Page</b>
<b>State of Kansas 2013 City Budget forms</b>	
Certificate	1
Computation to Determine Levy Limit for 2013	2
Allocation of Motor Vehicle, Recreational and 16/20M Vehicle Taxes	3
Schedule of Transfers	4
Statement of Indebtedness	5
Statement of Conditional Lease-Purchase and Certificates of Participation	6
Fund Pages	7-15
Notice of Budget Hearing and Budget Summary	16
<b>Notes to Prescribed Forms</b>	17-18

# Thomas H. Sewell, CPA, LLC

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ACCOUNTANTS' COMPILATION REPORT

*Members of American Institute and  
Kansas Society of Certified Public Accountants*

To The City Council  
City of Caney, Kansas

We have compiled the forecasted budget information and memoranda items of the City of Caney, Kansas, for the years ending December 31, 2013 and 2012, in the accompanying prescribed forms, in accordance with attestation standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of a forecast, information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. We have not examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the forecasted information in the accompanying prescribed forms or assumptions. Furthermore there will usually be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

We have also compiled the historical statements of cash receipts and expenditures and memoranda items of the City of Caney, Kansas for the year ended December 31, 2011, in the accompanying prescribed forms. We have not audited or reviewed the statements of cash receipts and expenditures and memoranda items, and accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles of the State of Kansas.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the requirements of the State of Kansas and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

These statements of cash receipts and expenditures and memoranda items are presented in accordance with the requirements of the state of Kansas, which differ from accounting principles generally accepted in the United States of America. Accordingly, these financial statements are not designed for those who are not informed about such differences.

Management has elected to omit substantially all the disclosures normally required by the State of Kansas statutory basis of accounting. If the omitted disclosures were included with the historical budgetary information and memoranda items in these prescribed forms, they might influence the user's conclusions about the City's historical financial position and results of operations. Accordingly, the historical budgetary information and memoranda items in these prescribed forms are not designed for those who are not informed about such matters.

*Thomas H. Sewell, CPA, LLC*

Independence, Kansas  
July 30, 2012

2013

**CERTIFICATE**

To the Clerk of Montgomery County, State of Kansas

We, the undersigned, officers of

**City of Caney, KS**

- certify that: (1) the hearing mentioned in the attached publication was held;  
(2) after the Budget Hearing this budget was duly approved and adopted as the  
maximum expenditure for the various funds for the year 2013; and  
(3) the Amount(s) of 2012 Ad Valorem Tax are within statutory limitations.

		2013 Adopted Budget		
		Budget Authority for Expenditures	Amount of 2012 Ad Valorem Tax	County Clerk's Use Only
<b>Table of Contents:</b>		Page No.		
Computation to Determine Limit for 2013		2		
Allocation of MVT, RVT, and 16/20M Veh Tax		3		
Schedule of Transfers		4		
Statement of Indebtedness		5		
Statement of Lease-Purchases		6		
<b>Fund</b>	<b>K.S.A.</b>			
General	12-101a	7	1,076,400	182,647
Library	12-1220	8	52,500	47,926
Industrial development	12-1617h	9	14,000	3,261
Police, fire, ambulance equip	12-110B	9	18,500	16,524
Employee benefits	12-12,102	10	161,000	127,677
Special Highway		11	66,000	
VIN fees		11	3,000	
Water sales tax		12	112,225	
CDBG revolving loan fund		12	80,000	
Special parks		13	11,806	
Water		13	630,579	
Sewer		14	273,073	
Solid waste		14	166,000	
Non-Budgeted Funds		15		
<b>Totals</b>		xxxxxx	2,665,083	378,035
Is an Ordinance required to be passed, published, and attached to the budget?			Yes	County Clerk's Use Only
Budget Summary		16		
Neighborhood Revitalization				Nov 1, 2012 Total Assessed Valuation

Assisted by:

Thomas H. Sewell, CPA, LLC

Address:

118 W. Locust, PO Box 783

Independence, KS 67301

Email:

iodv@tsewellcpa.com

Date Attested: \_\_\_\_\_, 2012

County Clerk

Governing Body

See Accompanying Summary of Significant Assumptions and Accounting Policies and Accountant's Compilation Report.

City of Caney, KS

2013

**Computation to Determine Limit for 2013**

		<b>Amount of Levy</b>
1. Total Tax Levy Amount in 2012 Budget	+ \$	365,106
2. Debt Service Levy in 2012 Budget	- \$	0
3. Tax Levy Excluding Debt Service	\$	<u>365,106</u>
<b>2012 Valuation Information for Valuation Adjustments:</b>		
4. New Improvements for 2012 :	+ <u>223,232</u>	
5. Increase in Personal Property for 2012 :		
5a. Personal Property 2012	+ <u>1,296,909</u>	
5b. Personal Property 2011	- <u>1,394,161</u>	
5c. Increase in Personal Property (5a minus 5b)	+ <u>0</u>	
	(Use Only if > 0)	
6. Valuation of annexed territory for 2012 :		
6a. Real Estate	+ <u>27,986</u>	
6b. State Assessed	+ <u>0</u>	
6c. New Improvements	- <u>0</u>	
6d. Total Adjustment (Sum of 6a, 6b, and 6c)	+ <u>27,986</u>	
7. Valuation of Property that has Changed in Use during 2012 :	+ <u>0</u>	
8. Total Valuation Adjustment (Sum of 4, 5c, 6d & 7)	<u>251,218</u>	
9. Total Estimated Valuation July 1, 2012	<u>10,003,758</u>	
10. Total Valuation less Valuation Adjustment (9 minus 8)	<u>9,752,540</u>	
11. Factor for Increase (8 divided by 10)	<u>0.02576</u>	
12. Amount of Increase (11 times 3)	+ \$ <u>9,405</u>	
13. Maximum Tax Levy, excluding debt service, without an Ordinance (3 plus 12)	\$ <u>374,511</u>	
14. Debt Service Levy in this 2013 Budget	<u>0</u>	
15. Maximum levy, including debt service, without an Ordinance (13 plus 14)	<u>374,511</u>	

If the 2013 budget includes tax levies exceeding the total on line 15, you must  
adopt an ordinance to exceed this limit, publish the ordinance, and  
attach a copy of the published ordinance to this budget.

See Accompanying Summary of Significant Assumptions and Accounting Policies and Accountant's Compilation Report.

City of Caney, KS

2013

**Allocation of Motor (MVT), Recreational (RVT), 16/20M Vehicle Tax**

Budgeted Funds for 2012	Budget Tax Levy Amount for 2011	Allocation for Proposed Year 2013		
		MVT	RVT	16/20M Veh
General	179,656	25,455	300	104
Library	43,765	6,201	73	25
Industrial development	6,962	986	12	4
Police, fire, ambulance equip	8,770	1,243	15	5
Employee benefits	125,953	17,846	210	72
<b>TOTAL</b>	<b>365,106</b>	<b>51,731</b>	<b>610</b>	<b>210</b>

County Treas Motor Vehicle Estimate 51,731

County Treasurers Recreational Vehicle Estimate 610

County Treasurers 16/20M Vehicle Estimate 210

Motor Vehicle Factor 0.14169

Recreational Vehicle Factor 0.00167

16/20 Vehicle Factor 0.00058

See Accompanying Summary of Significant Assumptions and Accounting Policies and Accountant's Compilation Report.

City of Caney, KS

2013

**Schedule of Transfers**

<b>Expenditure Fund Transferred From:</b>	<b>Receipt Fund Transferred To:</b>	<b>Actual Amount for 2011</b>	<b>Current Amount for 2012</b>	<b>Proposed Amount for 2013</b>	<b>Transfers Authorized by Statute</b>
General	Municipal Equipment	8,400	8,400	8,400	12-1,117
General	Special parks	12,000	6,000	6,000	12-1,117
Water	General	7,550	12,000	12,000	12-825d
Water	Municipal Equipment	2,000	2,400	2,400	12-1,117
Solid waste	General	7,550	-	-	12-825d
Solid waste	Municipal Equipment	3,600	-	-	12-1,117
Sewer	General	6,050	24,000	24,000	12-825d
Sewer	Municipal Equipment	2,400	7,200	7,200	12-1,117
	<b>Totals</b>	49,550	60,000	60,000	
	<b>Adjustments*</b>				
	<b>Adjusted Totals</b>	49,550	60,000	60,000	

**\*Note:** Adjustments are required only if the transfer is being made in 2012 and/or 2013 from a non-budgeted fund.

See Accompanying Summary of Significant Assumptions and Accounting Policies and Accountant's Compilation Report.

STATEMENT OF INDEBTEDNESS

Type of Debt	Date of Issue	Date of Retirement	Interest Rate %	Amount Issued	Beginning Amt Outstanding Jan 1, 2012	Date Due		Amount Due 2012		Amount Due 2013	
						Interest	Principal	Interest	Principal	Interest	Principal
<b>General Obligation:</b>											
2002 Series A	12/1/2002	12/20/2011	1.6-5.0		0						
Water sales tax fund											
2005 Series A	3/15/2005	3/15/2012	4.50	800,000	731,000	6/01, 12/01	12/1	5,407	731,000		
2005 Series B	3/15/2005	12/20/2011	4.50		0						
Water											
2011 refunding bonds	12/20/2011	12/1/2024	.75-3.6	745,000	745,000	6/01, 12/01	12/1	18,097	50,000	18,730	50,000
Water sales tax fund											
2012 refunding bonds	3/15/2012	3/15/2018	.5-1.75	660,000	0	3/15, 9/15	3/15	3,494	0	7,225	105,000
<b>Total G.O. Bonds</b>					1,476,000			26,998	781,000	25,955	155,000
Revenue Bonds:											
none											
<b>Total Revenue Bonds</b>											
<b>Other:</b>											
Sewer:											
KDHE loan C20-1499-01	1/1/1999	7/1/2021	2.82	600,000	329,787	3/01, 9/01	3/01, 9/01	9,913	30,456	8,971	31,398
KDHE loan C20-1709-01	10/12/2005	9/1/2028	2.58	360,000	253,455	3/01, 9/01	3/01, 9/01	6,113	17,391	5,661	17,843
Water:											
KDHE Loan 2491	4/23/2007	9/1/2029	3.36	1,820,457	1,187,668	3/01, 9/01	3/01, 9/01	36,922	66,527	34,663	68,786
<b>Total Other</b>					1,770,910			52,948	114,374	49,295	118,027
<b>Total Indebtedness</b>					3,246,910			79,946	895,374	75,250	273,027

See Accompanying Summary of Significant Assumptions and Accounting Policies and Accountant's Compilation Report.



**STATEMENT OF CONDITIONAL LEASE-PURCHASE AND CERTIFICATE OF PARTICIPATION\***

Items Purchased	Contract Date	Term of Contract (Months)	Interest Rate %	Total Amount Financed (Beginning Principal)	Principal Balance As Beginning of 2012	Payments Due 2012	Payments Due 2013
Trash truck	4/3/2008	48	3.95	65,000	8,697	8,826	0
<b>Totals</b>					<b>8,697</b>	<b>8,826</b>	<b>0</b>

**\*\*\*If you are merely leasing/renting with no intent to purchase, do not list--such transactions are not lease-purchases.**

**See Accompanying Summary of Significant Assumptions and Accounting Policies and Accountant's Compilation Report.**

City of Caney, KS

2013

**FUND PAGE FOR FUNDS WITH A TAX LEVY**

Adopted Budget General	Prior Year Actual for 2011	Current Year Estimate for 2012	Proposed Budget Year for 2013
Unencumbered Cash Balance Jan 1	306,021	299,179	171,485
Receipts:			
Ad Valorem Tax	119,219	179,656	xxxxxxxxxxxxxxxxxxxx
Delinquent Tax	8,305	8,500	
Motor Vehicle Tax	49,355	19,000	25,455
Recreational Vehicle Tax		400	300
16/20M Vehicle Tax		50	104
LAVTR		800	2,828
Revitalization rebates/nuisance tax	-6,784	-6,500	-6,500
Local Alcoholic Liquor	1,886	1,800	1,800
Compensating Use Tax	72,154	70,000	68,000
Local Sales Tax	237,242	230,000	230,000
Fines	17,662	15,000	15,000
Licenses	3,867	3,500	3,000
Ambulance fees	70,594	65,000	65,000
Pool	10,512	10,000	10,000
Cemetery fees	10,625	9,000	9,000
County ambulance	64,208	64,000	64,000
Franchise tax	209,585	205,000	200,000
JAG grant	9,757	0	0
Transfers from Water	7,550	12,000	12,000
Transfers from Solid Waste	7,550	0	0
Transfers from Sewer	6,050	24,000	24,000
Interest on Idle Funds	366	500	500
Miscellaneous	8,162	7,000	6,000
Does miscellaneous exceed 10% of Total Rec	no	no	no
<b>Total Receipts</b>	<b>907,865</b>	<b>918,706</b>	<b>730,487</b>
<b>Resources Available:</b>	<b>1,213,886</b>	<b>1,217,885</b>	<b>901,972</b>
Expenditures:			
Administration	343,250	350,000	355,000
Streets	75,209	120,000	121,000
Parks	3,695	8,000	12,000
Pool	25,383	27,000	30,000
Police	265,850	280,000	288,000
Fire department	28,141	44,000	46,000
Ambulance	143,199	173,000	175,000
Cemetery	9,580	30,000	35,000
Transfers to Municipal Equip reserve	8,400	8,400	8,400
Transfers to Special parks	12,000	6,000	6,000
Neighborhood Revitalization Rebate			
Miscellaneous			
Does miscellaneous exceed 10% of Total Exp	no	no	no
<b>Total Expenditures</b>	<b>914,707</b>	<b>1,046,400</b>	<b>1,076,400</b>
Unencumbered Cash Balance Dec 31	299,179	171,485	xxxxxxxxxxxxxxxxxxxx
2011/2012 Budget Authority Amount:	1,132,035	1,109,500	xxxxxxxxxxxxxxxxxxxx
Non-Appropriated Balance			
Total Expenditure/Non-Appr Balance			1,076,400
Tax Required			174,428
Delinquent Comp Rate: 4.5%			8,219
Amount of 2012 Ad Valorem Tax			<b>182,647</b>

See Accompanying Summary of Significant Assumptions and Accounting Policies and Accountant's Compilation Report.

## OPTIONAL DETAIL PAGE FOR ANY FUND

Adopted Budget Fund - Detail Expend	Prior Year Actual for 2011	Current Year Estimate for 2012	Proposed Budget Year for 2013
<b>Expenditures:</b>			
<b>Administration</b>			
Salaries	111,142	114,000	117,000
Contractual	145,767	148,000	149,000
Commodities	16,624	17,000	18,000
Capital Outlay	64,139	64,000	64,000
Operating lease payments	5,578	7,000	7,000
<b>Total</b>	<b>343,250</b>	<b>350,000</b>	<b>355,000</b>
<b>Streets</b>			
Contractual	8,164	55,000	55,000
Commodities	67,045	65,000	66,000
<b>Total</b>	<b>75,209</b>	<b>120,000</b>	<b>121,000</b>
<b>Parks</b>			
Contractual	2,052	3,000	4,000
Commodities	1,643	2,000	2,000
Capital Outlay		3,000	6,000
<b>Total</b>	<b>3,695</b>	<b>8,000</b>	<b>12,000</b>
<b>Pool</b>			
Salaries	13,047	14,000	15,000
Contractual	2,759	3,000	4,000
Commodities	9,577	10,000	11,000
<b>Total</b>	<b>25,383</b>	<b>27,000</b>	<b>30,000</b>
<b>Police</b>			
Salaries	209,561	217,000	222,000
Contractual	23,152	26,000	27,000
Commodities	10,791	12,000	12,000
Capital Outlay	22,346	25,000	27,000
<b>Total</b>	<b>265,850</b>	<b>280,000</b>	<b>288,000</b>
<b>Fire department</b>			
Salaries	10,256	18,500	20,000
Contractual	7,171	9,000	9,000
Commodities	10,714	12,500	13,000
Capital Outlay		4,000	4,000
<b>Total</b>	<b>28,141</b>	<b>44,000</b>	<b>46,000</b>
<b>Ambulance</b>			
Salaries	122,665	128,000	130,000
Contractual	15,064	17,000	17,000
Commodities	5,470	8,000	8,000
Capital Outlay		20,000	20,000
<b>Total</b>	<b>143,199</b>	<b>173,000</b>	<b>175,000</b>
<b>Cemetery</b>			
Contractual	6,870	15,000	15,000
Commodities	260	10,000	10,000
Capital Outlay	2,450	5,000	10,000
<b>Total</b>	<b>9,580</b>	<b>30,000</b>	<b>35,000</b>
Transfers to Muni Equip reserve	8,400	8,400	8,400
Transfers to Special parks	12,000	6,000	6,000
<b>Total</b>	<b>20,400</b>	<b>14,400</b>	<b>14,400</b>
<b>Page Total</b>	<b>914,707</b>	<b>1,046,400</b>	<b>1,076,400</b>

See Accompanying Summary of Significant Assumptions and Accounting Policies and Accountant's Compilation Report.

City of Caney, KS

2013

**FUND PAGE FOR FUNDS WITH A TAX LEVY**

Adopted Budget	Prior Year Actual for 2011	Current Year Estimate for 2012	Proposed Budget Year for 2013
Unencumbered Cash Balance Jan 1		0	0
Receipts:			
Ad Valorem Tax		0	xxxxxxxxxxxxxxxxxxxx
Delinquent Tax			
Miscellaneous			
Does miscellaneous exceed 10% of Total Rec			
<b>Total Receipts</b>	0	0	0
<b>Resources Available:</b>	0	0	0
Expenditures:			
Miscellaneous			
Does miscellaneous exceed 10% of Total Exp			
<b>Total Expenditures</b>	0	0	0
Unencumbered Cash Balance Dec 31	0	0	xxxxxxxxxxxxxxxxxxxx
2011/2012 Budget Authority Amount:	0	0	xxxxxxxxxxxxxxxxxxxx
Non-Appropriated Balance			
Total Expenditure/Non-Appr Balance			0
Tax Required			0
Delinquent Comp Rate: 4.5%			0
Amount of 2012 Ad Valorem Tax			0

Adopted Budget	Prior Year Actual for 2011	Current Year Estimate for 2012	Proposed Budget Year for 2013
<b>Library</b>			
Unencumbered Cash Balance Jan 1	867	867	432
Receipts:			
Ad Valorem Tax	35,646	43,765	xxxxxxxxxxxxxxxxxxxx
Delinquent Tax	2,109	2,000	
Motor Vehicle Tax	13,700	5,700	6,201
Recreational Vehicle Tax		100	73
16/20M Vehicle Tax			25
Miscellaneous			
Does miscellaneous exceed 10% of Total Rec			
<b>Total Receipts</b>	51,455	51,565	6,299
<b>Resources Available:</b>	52,322	52,432	6,731
Expenditures:			
Appropriations	51,455	52,000	52,500
Miscellaneous			
Does miscellaneous exceed 10% of Total Exp			
<b>Total Expenditures</b>	51,455	52,000	52,500
Unencumbered Cash Balance Dec 31	867	432	xxxxxxxxxxxxxxxxxxxx
2011/2012 Budget Authority Amount:	52,000	52,000	xxxxxxxxxxxxxxxxxxxx
Non-Appropriated Balance			
Total Expenditure/Non-Appr Balance			52,500
Tax Required			45,769
Delinquent Comp Rate: 4.5%			2,157
Amount of 2012 Ad Valorem Tax			47,926

Qualifies for State Library Grant

See Accompanying Summary of Significant Assumptions and Accounting Policies and Accountant's Compilation Report.

City of Caney, KS

2013

**FUND PAGE FOR FUNDS WITH A TAX LEVY**

Adopted Budget	Prior Year Actual for 2011	Current Year Estimate for 2012	Proposed Budget Year for 2013
<b>Industrial development</b>			
Unencumbered Cash Balance Jan 1	16,382	16,472	9,884
Receipts:			
Ad Valorem Tax	6,891	6,962	xxxxxxxxxxxxxxxxxxxx
Delinquent Tax	361	350	
Motor Vehicle Tax	2,590	1,100	986
Recreational Vehicle Tax			12
16/20M Vehicle Tax			4
Miscellaneous			
Does miscellaneous exceed 10% of Total Rec			
<b>Total Receipts</b>	<b>9,842</b>	<b>8,412</b>	<b>1,002</b>
<b>Resources Available:</b>	<b>26,224</b>	<b>24,884</b>	<b>10,886</b>
Expenditures:			
Contractual	9,752	15,000	14,000
Miscellaneous			
Does miscellaneous exceed 10% of Total Exp			
<b>Total Expenditures</b>	<b>9,752</b>	<b>15,000</b>	<b>14,000</b>
Unencumbered Cash Balance Dec 31	16,472	9,884	xxxxxxxxxxxxxxxxxxxx
2011/2012 Budget Authority Amount:	10,000	15,000	xxxxxxxxxxxxxxxxxxxx
Non-Appropriated Balance			
Total Expenditure/Non-Appr Balance			14,000
Tax Required			3,114
Delinquent Comp Rate: 4.5%			147
Amount of 2012 Ad Valorem Tax			3,261

Adopted Budget

Adopted Budget	Prior Year Actual for 2011	Current Year Estimate for 2012	Proposed Budget Year for 2013
<b>Police, fire, ambulance equip</b>			
Unencumbered Cash Balance Jan 1	12,514	7,787	957
Receipts:			
Ad Valorem Tax	11,819	8,770	xxxxxxxxxxxxxxxxxxxx
Delinquent Tax	620	500	500
Motor Vehicle Tax	4,798	1,900	1,243
Recreational Vehicle Tax			15
16/20M Vehicle Tax			5
Sale proceeds	12,499		
Miscellaneous			
Does miscellaneous exceed 10% of Total Rec			
<b>Total Receipts</b>	<b>29,736</b>	<b>11,170</b>	<b>1,763</b>
<b>Resources Available:</b>	<b>42,250</b>	<b>18,957</b>	<b>2,720</b>
Expenditures:			
Capital outlay	28,452	18,000	18,500
Contractual	6,011		
Miscellaneous			
Does miscellaneous exceed 10% of Total Exp			
<b>Total Expenditures</b>	<b>34,463</b>	<b>18,000</b>	<b>18,500</b>
Unencumbered Cash Balance Dec 31	7,787	957	xxxxxxxxxxxxxxxxxxxx
2011/2012 Budget Authority Amount:	38,353	20,500	xxxxxxxxxxxxxxxxxxxx
Non-Appropriated Balance			
Total Expenditure/Non-Appr Balance			18,500
Tax Required			15,780
Delinquent Comp Rate: 4.5%			744
Amount of 2012 Ad Valorem Tax			16,524

See Accompanying Summary of Significant Assumptions and Accounting Policies and Accountant's Compilation Report.

City of Caney, KS

2013

**FUND PAGE FOR FUNDS WITH A TAX LEVY**

Adopted Budget	Prior Year	Current Year	Proposed Budget
<b>Employee benefits</b>	Actual for 2011	Estimate for 2012	Year for 2013
Unencumbered Cash Balance Jan 1	21,920	24,887	15,940
Receipts:			
Ad Valorem Tax	110,528	125,953	xxxxxxxxxxxxxxxxxxxx
Delinquent Tax	5,648	4,000	5,000
Motor Vehicle Tax	39,427	17,700	17,846
Recreational Vehicle Tax		350	210
16/20M Vehicle Tax		50	72
Interest on Idle Funds			
Miscellaneous	2,059		
Does miscellaneous exceed 10% of Total Rec	no		
<b>Total Receipts</b>	<b>157,662</b>	<b>148,053</b>	<b>23,128</b>
<b>Resources Available:</b>	<b>179,582</b>	<b>172,940</b>	<b>39,068</b>
Expenditures:			
Contractual	154,695	157,000	161,000
Miscellaneous			
Does miscellaneous exceed 10% of Total Exp			
<b>Total Expenditures</b>	<b>154,695</b>	<b>157,000</b>	<b>161,000</b>
Unencumbered Cash Balance Dec 31	24,887	15,940	xxxxxxxxxxxxxxxxxxxx
2011/2012 Budget Authority Amount:	162,000	163,000	xxxxxxxxxxxxxxxxxxxx
Non-Appropriated Balance			
Total Expenditure/Non-Appr Balance			161,000
Tax Required			121,932
Delinquent Comp Rate:	4.5%		5,745
Amount of 2012 Ad Valorem Tax			127,677

Adopted Budget

	Prior Year	Current Year	Proposed Budget
	Actual for 2011	Estimate for 2012	Year for 2013
Unencumbered Cash Balance Jan 1		0	0
Receipts:			
Ad Valorem Tax		0	xxxxxxxxxxxxxxxxxxxx
Delinquent Tax			
Motor Vehicle Tax			
Recreational Vehicle Tax			
16/20M Vehicle Tax			
Miscellaneous			
Does miscellaneous exceed 10% of Total Rec			
<b>Total Receipts</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Resources Available:</b>	<b>0</b>	<b>0</b>	<b>0</b>
Expenditures:			
Miscellaneous			
Does miscellaneous exceed 10% of Total Exp			
<b>Total Expenditures</b>	<b>0</b>	<b>0</b>	<b>0</b>
Unencumbered Cash Balance Dec 31	0	0	xxxxxxxxxxxxxxxxxxxx
2011/2012 Budget Authority Amount:		0	xxxxxxxxxxxxxxxxxxxx
Non-Appropriated Balance			
Total Expenditure/Non-Appr Balance			0
Tax Required			0
Delinquent Comp Rate:	4.5%		0
Amount of 2012 Ad Valorem Tax			0

See Accompanying Summary of Significant Assumptions and Accounting Policies and Accountant's Compilation Report.

City of Caney, KS

2013

**FUND PAGE FOR FUNDS WITH NO TAX LEVY**

Adopted Budget <b>Special Highway</b>	Prior Year Actual for 2011	Current Year Estimate for 2012	Proposed Budget Year for 2013
Unencumbered Cash Balance Jan 1	5,420	1,208	2,548
Receipts:			
State of Kansas Gas Tax	54,403	56,900	57,340
County Transfers Gas Tax	6,985	8,840	8,870
Interest on Idle Funds			
Miscellaneous			
Does miscellaneous exceed 10% of Total Rec			
<b>Total Receipts</b>	<b>61,388</b>	<b>65,740</b>	<b>66,210</b>
<b>Resources Available:</b>	<b>66,808</b>	<b>66,948</b>	<b>68,758</b>
Expenditures:			
Personal services	60,894	60,500	61,000
Contractual	4,706	3,900	5,000
Miscellaneous			
Does miscellaneous exceed 10% of Total Exp			
<b>Total Expenditures</b>	<b>65,600</b>	<b>64,400</b>	<b>66,000</b>
Unencumbered Cash Balance Dec 31	1,208	2,548	2,758
2011/2012 Budget Authority Amount:	71,000	64,400	

Adopted Budget <b>VIN fees</b>	Prior Year Actual for 2011	Current Year Estimate for 2012	Proposed Budget Year for 2013
Unencumbered Cash Balance Jan 1	2,444	3,504	3,004
Receipts:			
Fees	2,873	2,500	2,500
Miscellaneous			
Does miscellaneous exceed 10% of Total Rec			
<b>Total Receipts</b>	<b>2,873</b>	<b>2,500</b>	<b>2,500</b>
<b>Resources Available:</b>	<b>5,317</b>	<b>6,004</b>	<b>5,504</b>
Expenditures:			
Commodities	1,466	2,000	2,000
Contractual	347	1,000	1,000
Miscellaneous			
Does miscellaneous exceed 10% of Total Exp			
<b>Total Expenditures</b>	<b>1,813</b>	<b>3,000</b>	<b>3,000</b>
Unencumbered Cash Balance Dec 31	3,504	3,004	2,504
2011/2012 Budget Authority Amount:	3,500	3,000	

See Accompanying Summary of Significant Assumptions and Accounting Policies and Accountant's Compilation Report.

City of Caney, KS

2013

**FUND PAGE FOR FUNDS WITH NO TAX LEVY**

Adopted Budget	Prior Year	Current Year	Proposed Budget
<b>Water sales tax</b>	Actual for 2011	Estimate for 2012	Year for 2013
Unencumbered Cash Balance Jan 1	148,813	140,895	170,494
Receipts:			
Sales tax	136,755	136,000	136,000
Bond proceeds		660,000	
Miscellaneous			
Does miscellaneous exceed 10% of Total Rec			
<b>Total Receipts</b>	<b>136,755</b>	<b>796,000</b>	<b>136,000</b>
<b>Resources Available:</b>	<b>285,568</b>	<b>936,895</b>	<b>306,494</b>
Expenditures:			
Bond principal: 2005 bonds	106,955	731,000	
2012 bonds			105,000
Bond interest/fees: 2005 bonds	37,718	5,407	
Bond interest: 2012 bonds		3,494	7,225
Bond redemption fees/expense		26,500	
Miscellaneous			
Does miscellaneous exceed 10% of Total Exp			
<b>Total Expenditures</b>	<b>144,673</b>	<b>766,401</b>	<b>112,225</b>
Unencumbered Cash Balance Dec 31	140,895	170,494	194,269
2011/2012 Budget Authority Amount:	154,673	143,416	

See Tab C

Adopted Budget	Prior Year	Current Year	Proposed Budget
<b>CDBG revolving loan fund</b>	Actual for 2011	Estimate for 2012	Year for 2013
Unencumbered Cash Balance Jan 1	139,625	105,073	67,073
Receipts:			
Loan repayments	10,469	12,000	13,000
Miscellaneous			
Does miscellaneous exceed 10% of Total Rec			
<b>Total Receipts</b>	<b>10,469</b>	<b>12,000</b>	<b>13,000</b>
<b>Resources Available:</b>	<b>150,094</b>	<b>117,073</b>	<b>80,073</b>
Expenditures:			
Loans made	45,021	50,000	80,000
Miscellaneous			
Does miscellaneous exceed 10% of Total Exp			
<b>Total Expenditures</b>	<b>45,021</b>	<b>50,000</b>	<b>80,000</b>
Unencumbered Cash Balance Dec 31	105,073	67,073	73
2011/2012 Budget Authority Amount:	100,000	80,000	

See Accompanying Summary of Significant Assumptions and Accounting Policies and Accountant's Compilation Report.



**FUND PAGE FOR FUNDS WITH NO TAX LEVY**

Adopted Budget	Prior Year	Current Year	Proposed Budget
<b>Special parks</b>	Actual for 2011	Estimate for 2012	Year for 2013
Unencumbered Cash Balance Jan 1	4,746	8,806	4,806
Receipts:			
Liquor tax	1,830	2,000	2,000
Transfers from General	12,000	6,000	6,000
Miscellaneous			
Does miscellaneous exceed 10% of Total Rec			
<b>Total Receipts</b>	<b>13,830</b>	<b>8,000</b>	<b>8,000</b>
<b>Resources Available:</b>	<b>18,576</b>	<b>16,806</b>	<b>12,806</b>
Expenditures:			
Contractual	8,220	6,000	6,000
Capital outlay	1,550	6,000	5,806
Miscellaneous			
Does miscellaneous exceed 10% of Total Exp			
<b>Total Expenditures</b>	<b>9,770</b>	<b>12,000</b>	<b>11,806</b>
Unencumbered Cash Balance Dec 31	8,806	4,806	1,000
2011/2012 Budget Authority Amount:	19,000	12,000	

Adopted Budget	Prior Year	Current Year	Proposed Budget
<b>Water</b>	Actual for 2011	Estimate for 2012	Year for 2013
Unencumbered Cash Balance Jan 1	203,887	201,093	172,247
Receipts:			
Sales & fees	556,632	576,100	598,500
Grants/aid	10,072		
Bond proceeds	745,000		
Miscellaneous	4,009	4,000	4,000
Does miscellaneous exceed 10% of Total Rec	no	no	no
<b>Total Receipts</b>	<b>1,315,713</b>	<b>580,100</b>	<b>602,500</b>
<b>Resources Available:</b>	<b>1,519,600</b>	<b>781,193</b>	<b>774,747</b>
Expenditures:			
Admin - personal services	3,189	6,000	10,000
Contractual	16,961	19,000	20,000
Commodities	16,374	18,000	20,000
Production - personal services	25,887	32,000	34,000
Contractual	45,617	48,000	50,000
Commodities	121,178	125,000	128,000
Distribution - personal services	95,795	97,000	100,000
Contractual	49,104	51,000	53,000
Commodities	25,201	27,000	29,000
Debt - principal bonds	740,000	50,000	50,000
principal KDHE 2491	57,844	66,527	68,786
interest bonds	36,148	18,097	18,730
interest/fees KDHE	41,058	36,922	34,663
redemption fees/expenses	34,601		
Transfers to General	7,550	12,000	12,000
Transfers to Municipal equipment	2,000	2,400	2,400
Miscellaneous			
Does miscellaneous exceed 10% of Total Exp			
<b>Total Expenditures</b>	<b>1,318,507</b>	<b>608,946</b>	<b>630,579</b>
Unencumbered Cash Balance Dec 31	201,093	172,247	144,168
2011/2012 Budget Authority Amount:	1,325,100	576,400	

See Accompanying Summary of Significant Assumptions and Accounting Policies and Accountant's Compilation Report.

City of Caney, KS

2013

**FUND PAGE FOR FUNDS WITH NO TAX LEVY**

Adopted Budget	Prior Year	Current Year	Proposed Budget
Sewer	Actual for 2011	Estimate for 2012	Year for 2013
Unencumbered Cash Balance Jan 1	66,880	81,511	63,438
Receipts:			
Service fees	251,359	250,000	250,000
Miscellaneous			
Does miscellaneous exceed 10% of Total Rec			
<b>Total Receipts</b>	<b>251,359</b>	<b>250,000</b>	<b>250,000</b>
<b>Resources Available:</b>	<b>318,239</b>	<b>331,511</b>	<b>313,438</b>
Expenditures:			
Salaries & Wages	75,389	78,000	80,000
Commodities	23,733	25,000	26,000
Contractual	69,393	70,000	72,000
Debt service			
Principal KDHE loan 1499	29,522	30,456	31,398
Principal KDHE loan 1709	12,651	17,391	17,843
Interest KDHE loan 1499	10,806	9,913	8,971
Interest KDHE loan 1709	6,784	6,113	5,661
Transfers to General	6,050	24,000	24,000
Transfers to Municipal equipment	2,400	7,200	7,200
Miscellaneous			
Does miscellaneous exceed 10% of Total Exp			
<b>Total Expenditures</b>	<b>236,728</b>	<b>268,073</b>	<b>273,073</b>
Unencumbered Cash Balance Dec 31	81,511	63,438	40,365
2011/2012 Budget Authority Amount:	285,000	275,273	<u>275,273</u>

Adopted Budget	Prior Year	Current Year	Proposed Budget
Solid waste	Actual for 2011	Estimate for 2012	Year for 2013
Unencumbered Cash Balance Jan 1	12,138	-2,351	149
Receipts:			
Service fees	166,015	166,000	166,000
Interest on Idle Funds	3		
Miscellaneous			
Does miscellaneous exceed 10% of Total Rec			
<b>Total Receipts</b>	<b>166,018</b>	<b>166,000</b>	<b>166,000</b>
<b>Resources Available:</b>	<b>178,156</b>	<b>163,649</b>	<b>166,149</b>
Expenditures:			
Salaries & Wages	52,145	51,500	52,000
Commodities	19,424	17,000	18,000
Contractual	80,136	86,174	96,000
Truck lease	17,652	8,826	0
Transfers to General	7,550	0	0
Transfers to Municipal equipment	3,600	0	0
Miscellaneous			
Does miscellaneous exceed 10% of Total Exp			
<b>Total Expenditures</b>	<b>180,507</b>	<b>163,500</b>	<b>166,000</b>
Unencumbered Cash Balance Dec 31	-2,351	149	149
2011/2012 Budget Authority Amount:	182,652	182,626	

**See Tab B**

See Accompanying Summary of Significant Assumptions and Accounting Policies and Accountant's Compilation Report.

City of Caney, KS

**NON-BUDGETED FUNDS**

2013

*(Only the actual budget year for 2011 is to be shown)*

**Non-Budgeted Funds**

(1) Fund Name:				(2) Fund Name:				(3) Fund Name:				(4) Fund Name:				(5) Fund Name:			
Special law enforcement				Municipal equipment reserve				Capital projects											
Unencumbered				Unencumbered				Unencumbered				Unencumbered				Unencumbered			
Cash Balance Jan 1		2,466		Cash Balance Jan 1		34,908		Cash Balance Jan 1		-49,293		Cash Balance Jan 1		Cash Balance Jan 1		Cash Balance Jan 1		Total	
Receipts:				Receipts:				Receipts:				Receipts:				Receipts:			
Misc taxes		587		Transfers from				Grants		121,650									
				General		8,400		Donations		6,747									
				Water		2,000													
				Solid waste		3,600													
				Sewer		2,400													
Total Receipts		587		Total Receipts		16,400		Total Receipts		128,397		Total Receipts		0		Total Receipts		0	
Resources Available:		3,053		Resources Available:		51,308		Resources Available:		79,104		Resources Available:		0		Resources Available:		0	
Expenditures:				Expenditures:				Expenditures:				Expenditures:				Expenditures:			
Contractual		1,000		Commodities		2,915		Administration		3,453									
				Contractual		4,624		Capital outlay		49,284									
Total Expenditures		1,000		Total Expenditures		7,539		Total Expenditures		52,737		Total Expenditures		0		Total Expenditures		0	
Cash Balance Dec 31		2,053		Cash Balance Dec 31		43,769		Cash Balance Dec 31		26,367		Cash Balance Dec 31		0		Cash Balance Dec 31		0	

2013

**NOTICE OF BUDGET HEARING**

The governing body of

**City of Caney, KS**

will meet on August 13, 2012 at 7 p.m. at City Hall for the purpose of hearing and answering objections of taxpayers relating to the proposed use of all funds and the amount of ad valorem tax.

Detailed budget information is available at City Hall and will be available at this hearing.

**BUDGET SUMMARY**

Proposed Budget 2013 Expenditures and Amount of Current Year Estimate for 2012 Ad Valorem Tax establish the maximum limits of the 2013 budget.

Estimated Tax Rate is subject to change depending on the final assessed valuation.

FUND	Prior Year Actual for 2011		Current Year Estimate for 2012		Proposed Budget for 2013		
	Expenditures	Actual Tax Rate*	Expenditures	Actual Tax Rate*	Budget Authority for Expenditures	Amount of 2012 Ad Valorem Tax	Estimate Tax Rate*
General	914,707	15.313	1,046,400	17.851	1,076,400	182,647	18.258
Library	51,455	4.578	52,000	4.348	52,500	47,926	4.791
Industrial development	9,752	0.885	15,000	0.691	14,000	3,261	0.326
Police, fire, ambulance equip	34,463	1.518	18,000	0.871	18,500	16,524	1.652
Employee benefits	154,695	14.193	157,000	12.515	161,000	127,677	12.763
Special Highway	65,600		64,400		66,000		
VIN fees	1,813		3,000		3,000		
Water sales tax	144,673		766,401		112,225		
CDBG revolving loan fund	45,021		50,000		80,000		
Special parks	9,770		12,000		11,806		
Water	1,318,507		608,946		630,579		
Sewer	236,728		268,073		273,073		
Solid waste	180,507		163,500		166,000		
Non-Budgeted Funds	61,276						
Totals	3,228,967	36.487	3,224,720	36.276	2,665,083	378,035	37.790
Less: Transfers	49,550		60,000		60,000		
Net Expenditure	3,179,417		3,164,720		2,605,083		
Total Tax Levied	360,802		365,106		XXXXXXXXXXXXXXXXXX		
Assessed Valuation	9,888,575		10,063,834		10,003,758		

**Outstanding Indebtedness,**

January 1,	2010	2011	2012
G.O. Bonds	1,727,000	1,683,000	1,476,000
Revenue Bonds	0	0	0
Other	1,928,671	1,821,165	1,770,910
Lease Purchase Principal	54,461	25,584	8,697
Total	3,710,132	3,529,749	3,255,607

\*Tax rates are expressed in mills

**Carole Coker**

City Official Title: City Clerk

See Accompanying Summary of Significant Assumptions and Accounting Policies and Accountant's Compilation Report.

## **CITY OF CANEY, KANSAS**

### **NOTES TO PRESCRIBED FORMS**

**December 31, 2013, 2012 (Forecast) and 2011 (Historical)**

#### **SELECTED INFORMATION - SUBSTANTIALLY ALL DISCLOSURES REQUIRED BY THE KANSAS STATUTORY BASIS OF ACCOUNTING ARE NOT INCLUDED**

##### **NOTE 1. SUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS**

This financial forecast presents, to the best of management's knowledge and belief, the City's expected results of operations for the forecast periods. Accordingly, the forecast reflects management's judgment as of July 30, 2012, the date of this forecast, of the expected conditions and its expected course of action. The assumptions disclosed herein are those that management believes are significant to the forecast. There will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

*Assessed valuation* - The valuations of property in the City are estimates determined by the Montgomery County, Kansas Appraiser's office.

*Receipts* - Advalorem tax revenues are based on expected collection of taxes levied for the 2012 and 2013 budget year and assume a 4.5% delinquency rate. Motor vehicle, recreational, 16/20M vehicle, and state gas taxes are based on collection estimates supplied by Montgomery County, Kansas and the State of Kansas. Other revenues are assumed to be approximately the same as historical receipts for the year 2011 with the exception of Water, which raised rates in 2012.

*Expenditures* - Personal services (wages) are expected to increase by approximately 2-4% per year over 2011 historical costs. The actual amount of increase may vary dependent upon the number of personnel assigned to each department within the City and the hiring of or dismissal of employees.

Employee benefits, which include payroll taxes and medical insurance, are projected to increase 2-4% over 2011 historical costs due to raises in medical insurance premiums for 2012 and 2013.

Commodities, contractual and capital outlay expenditures are projected to increase 2-5% per year over 2011 historical costs due to expected inflationary factors.

Debt service expenditures are based on the scheduled payments in the debt agreements or ordinances for debt that existed as of December 31, 2011.

##### **NOTE 2. BASIS OF ACCOUNTING**

The statutory basis of accounting, as used in the preparation of the budgetary information in these prescribed forms, is designed to demonstrate compliance with the cash-basis and budget laws of the State of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services and are usually evidenced by a purchase order or written contract. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund, and an expenditure would be charged in the fund from which the transfer is made.

**CITY OF CANEY, KANSAS**

**NOTES TO PRESCRIBED FORMS**

**December 31, 2013, 2012 (Forecast) and 2011 (Historical)**

**SELECTED INFORMATION - SUBSTANTIALLY ALL DISCLOSURES REQUIRED BY  
THE KANSAS STATUTORY BASIS OF ACCOUNTING ARE NOT INCLUDED (Continued)**

**NOTE 2. BASIS OF ACCOUNTING - Continued**

*DEPARTURE FROM GENERALLY ACCEPTED ACCOUNTING PRINCIPLES* - The basis of accounting described above results in a presentation which shows cash receipts, cash disbursements, cash and unencumbered cash balances, and expenditures. Balance sheets that would have shown non-cash assets such as receivables, inventories, prepaid expense; liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented.

Under generally accepted accounting principles, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year-end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with accounting principles generally accepted in the United States of America.